



County of Los Angeles CHIEF EXECUTIVE OFFICE

713 KENNETH HAHN HALL OF ADMINISTRATION
LOS ANGELES, CALIFORNIA 90012
(213) 974-1101
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA
Chief Executive Officer

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

December 20, 2007

To: Supervisor Yvonne B. Burke, Chair
Supervisor Gloria Molina
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

WASHINGTON, D.C. UPDATE

On December 19, 2007, Congress adjourned for the year after completing action on a number of important bills, including those summarized below:

Federal Fiscal Year (FFY) 2008 Omnibus Appropriations Bill (H.R. 2764)

After the House passed H.R. 2764, the FFY 2008 Omnibus Appropriations Bill, on December 17, 2007, the Senate amended the bill to add \$70 billion in unrestricted funding for military operations in Iraq and Afghanistan, and the House adopted the Senate version, clearing the bill for the President, who is expected to sign it into law. As seen in the attached table, which has funding levels for programs of County interest, the Byrne Justice Assistance Grant (JAG) is the only program that received a major funding reduction, dropping from \$520 million in FFY 2007 to \$166 million in FFY 2008. The savings was used to increase the amount of funds available for Congressional earmarks of justice assistance and law enforcement projects. In contrast, the FFY 2007 Continuing Resolution did not include any funding for earmarks. In H.R. 2764, one Byrne discretionary grant was earmarked for the County -- \$423,000 for a comprehensive public housing crime prevention project, which would be administered by the Community Development Commission in collaboration with the Sheriff.

The bill also includes funding for the following Army Corps of Engineers projects of County interest:

- Marina del Rey Entrance and Main Channel dredging (\$2,359,000);
- Los Angeles County Drainage Area Operations and Maintenance (\$4,239,000);
- Tujunga Wash Restoration Project (\$492,000);
- Coast of California Sediment Master Plan (\$340,000);
- Sun Valley Watershed Feasibility Study (\$197,000).
- Coast of California/Los Angeles County Study (\$98,000); and
- Arroyo Seco Watershed Feasibility Study (\$98,000);

Besides providing funding for FFY 2008 discretionary programs, H.R. 2764 also includes County-supported provisions that would:

- Preserve resident slots eligible for direct Medicare graduate medical education payments at the Martin Luther King, Jr. Hospital – Harbor Hospital facility, which, under current law, were lost when the Medicare provider agreement with the hospital was terminated this year;
- Prohibit the exchange, auction, transfer, reduction, or disposal of Department of Veterans Affairs (VA) lands at the West Los Angeles Medical Center (WLAMC); and
- Exempt the County from the Federal requirement to have a Section 8 or public housing tenant on the County's Public Housing Authority governing body and, instead, require the County to establish an advisory board with at least six residents of public housing or Section 8 housing.

The bill also includes language prohibiting the use of appropriated funds to "reduce the mission, services, or infrastructure, including land," of the 18 VA facilities on the Capital Asset Realignment for Enhanced Services (CARES) list requiring further study without prior approval of both the House and Senate Appropriations Committees. The WLAMC is one of those 18 facilities on the CARES list. In addition, H.R. 2764 repeals statutory language dating from 1985 that prevents the use of Federal funds to construct subway tunnels for the Los Angeles Metro Rail project in areas deemed to have a potential risk of containing methane gas.

Medicare, Medicaid, and SCHIP Extension Act (S. 2499)

On December 19, 2007, the House passed, 411 to 3, the Medicare, Medicaid, and State Children's Health Insurance Program (SCHIP) Extension Act (S. 2499), clearing the bill for the President, who is expected to sign it into law. House passage came one day after the Senate passed S. 2499, which reauthorizes SCHIP through March 31, 2009. It includes \$1.6 billion in additional FFY 2008 SCHIP funding and up to \$275 million in FFY 2009 funding to provide sufficient funding to states, such as California, which, otherwise, would experience funding shortfalls. Without increased SCHIP funds, California would have to begin reducing enrollment in its Healthy Families Program in the current State fiscal year.

S. 2499 also extends the Transitional Medical Assistance Program, which provides transitional Medicaid benefits to families who left welfare for work, for six months through June 30, 2008. In addition, the bill includes language that prohibits the Centers for Medicare and Medicaid Services (CMS) from taking any action to promulgate, finalize, or implement its proposed Medicaid rehabilitative services and school-based services regulations before July 1, 2008.

Energy Bill (H.R. 6)

On December 19, 2007, the President signed H.R. 6, the Energy Independence and Security Act of 2007, into law. H.R. 6 is a comprehensive energy package, which includes a County-supported provision to increase Corporate Average Fuel Economy (CAFE) standards for cars and light trucks to 35 miles per gallon (mpg) by 2020. The current CAFE standard is 27.5 mpg for cars and 22.7 mpg for light trucks for 2007. In addition, the bill requires that 36 billion gallons of ethanol and other biofuels to be blended with gasoline by 2022, and includes other provisions aimed at reducing greenhouse gas emissions and energy usage.

H.R. 6 also establishes a new energy efficiency block grant of which 68 percent of total available funding would be used for direct formula grants to eligible units of local government, including any county with a population of 200,000 or more. Block grant funds may be used for the development and implementation of an energy efficiency strategy, energy audits, energy efficiency retrofits, weatherization, public education, and other energy conservation programs. The bill authorizes \$2.0 billion a year in block grant funds for Federal Fiscal Years (FFYs) 2008 through 2012, subject to the availability of annual appropriations, which will be difficult to secure given the current budget climate.

Each Supervisor
December 20, 2007
Page 4

Terrorism Risk Insurance Act (TRIA) Reauthorization Bill (H.R. 2761)

On December 18, 2007, the House passed the Senate version of the Terrorism Risk Insurance Act (TRIA), clearing the bill for the President, who is expected to sign it into law. TRIA, which was enacted in the aftermath of the September 11, 2001 terrorist attacks, requires the Federal government to pay for losses from a foreign terrorist attack that exceeds a certain threshold. H.R. 2761, which reauthorizes TRIA for seven years through FFY 2014, maintains the current threshold of \$100 million in damage for triggering Federal aid. The House had wanted a 15-year extension and a lower threshold of \$50 million, but the Senate opposed such changes.

Farm Bill (H.R. 2419)

On December 14, 2007, the Senate passed its version of the Farm Bill (H.R. 2419), which includes language to reauthorize the Food Stamp Program. After Congress reconvenes in January, a conference committee will begin to reconcile differences between the Senate version and the House bill, which was passed in July 2007.

We will continue to keep you advised.

WTF:GK
MAL:MT:hg

Attachment

c: All Department Heads
Legislative Strategist

**FEDERAL FISCAL YEAR (FFY) 2008 FUNDING LEVELS FOR
PROGRAMS OF COUNTY INTEREST IN
H.R. 2764, OMNIBUS APPROPRIATIONS BILL
(in millions)**

PROGRAMS	Enacted 2007	President 2008	House¹ 2008	Senate² 2008	Final 2008
<u>Homeland Security</u>					
State Homeland Security Grant	\$ 525	\$ 250	\$ 550	\$ 525	\$ 890
Law Enforcement Terrorism Prevention ¹	375	0	400	375	0
Urban Area Security Initiative	770	800	800	820	820
Interoperable Communications Grants	0	0	50	0	50
Regional Catastrophic Preparedness Grants	0	0	50	100	35
Emergency Management Performance Grants	200	200	300	300	300
Firefighting Grants	547	300	570	560	560
SAFER ²	115	0	230	140	190
Urban Search and Rescue Teams	25	25	35	30	33
<u>Justice</u>					
State Criminal Alien Assistance Program	400	0	370	460	410
Justice Assistance Grant ³	520	0	595	600	166
Drug Courts	10	0	40	40	15
COPS Technology & Interoperability	138	0	110	128	204
COPS Hiring Grants	0	0	110	100	20
DNA Initiative	107	0	169	175	152
Juvenile Justice Formula Grant	74	0	68	96	74
Juvenile Accountability Block Grant	53	0	80	60	52
Southwest Border Prosecutor Program	30	0	30	40	30
<u>Health and Human Services</u>					
Public Health Preparedness Grants	784	698	790	760	746
Hospital Preparedness Grants	484	408	451	439	420
Ryan White AIDS Emergency Assistance	604	604	636	604	627
Ryan White AIDS Total	2,138	2,158	2,237	2,170	2,167
Family Planning	283	283	311	300	300
Preventive Health Block Grant	99	0	109	99	97
Maternal and Child Health Grant	693	693	750	673	666
Substance Abuse Block Grant	1,759	1,759	1,794	1,759	1,759
Mental Health Block Grant	428	428	441	428	421
Social Services Block Grant	1,700	1,200	1,700	1,700	1,700
Community Services Block Grant	630	0	660	670	654
Child Welfare Services	287	287	287	287	282

PROGRAMS	Enacted 2007	President 2008	House ¹ 2008	Senate ² 2008	Final 2008
Independent Living Training Vouchers	46	46	46	46	45
Promoting Safe and Stable Families ³	89	89	89	89	63
Refugee Social Services	154	150	154	154	154
Refugee Targeted Assistance	49	48	49	49	49
OAA Family Caregivers	156	154	156	156	153
OAA Congregate Meals	399	383	412	419	411
OAA Home-Delivered Meals	188	181	194	198	194
OAA Nutrition Services Incentive	148	147	153	157	153
OAA Supportive Services	351	351	358	351	351
<u>Labor</u>					
Adult Training	864	712	864	864	862
Youth Training	940	840	940	940	924
Dislocated Workers	1,190	903	1,190	1,190	1,184
Title-V Older Americans Employment	484	350	531	484	522
<u>Housing and Urban Development</u>					
Community Development Block Grant	3,711	2,775	3,929	3,708	3,593
Section 8 Tenant-Based Rental Assistance	14,436	14,445	14,745	14,936	14,694
Section 8 Project-Based Rental Assistance	5,976	5,813	6,480	5,813	6,139
Section 8 Administrative Fees	1,281	1,351	1,351	1,351	1,316
Public Housing Operating Fund	3,864	4,000	4,200	4,200	4,200
Public Housing Capital Fund	2,439	2,024	2,439	2,500	2,439
Homeless Assistance Grants	1,442	1,586	1,561	1,586	1,586
HOME Investment Partnerships Formula Grant	1,680	1,917	1,701	1,792	1,628
Housing Opportunities for Persons with AIDS	286	300	300	300	300
<u>Commerce</u>					
Economic Development Assistance	251	170	250	270	249

¹ H.R. 1, the 911 Commission Recommendation Bill (P.L. 110-53) eliminated the Law Enforcement Terrorism Prevention Program (LETPP) and instead, requires that at least 25 percent of combined State Homeland Security Grant and Urban Area Security Grant funds be spent on LETPP activities.

² SAFER refers to the Staffing for Adequate Fire and Emergency Response Program.

³ The funding levels in the table are for the discretionary portion of the program.